

**ABOUT US:** UEM is a Bermuda registered closed end investment company, listed on the London Stock Exchange. Registration N° 36941

**OBJECTIVE:** To provide long-term total return by investing predominantly in infrastructure, utility and related sectors mainly in emerging markets.

**INVESTMENT APPROACH:** To seek to minimise risk by investing mainly in companies and sectors displaying the characteristics of essential services or monopolies such as utilities, transportation infrastructure, communications or companies with a unique product or market position.

Manager & Secretary: ICM Limited Registered Office: Trinity Hall, 43 Cedar Avenue, Hamilton HM 12, Bermuda UK Contact: Telephone: 01372 271 486 Fax: 01372 271 495

### ORDINARY SHARES

NAV at launch	98.37p
NAV (cum income)	199.20p
Share Price	188.50p
(Discount)/Premium to diluted NAV	(5.4%)
NAV Total Return since launch*	151.4%
Annual average compound return*	13.2%
Historic Dividend Yield	3.2%
Shares in issue	213,243,793
Ticker	UEML

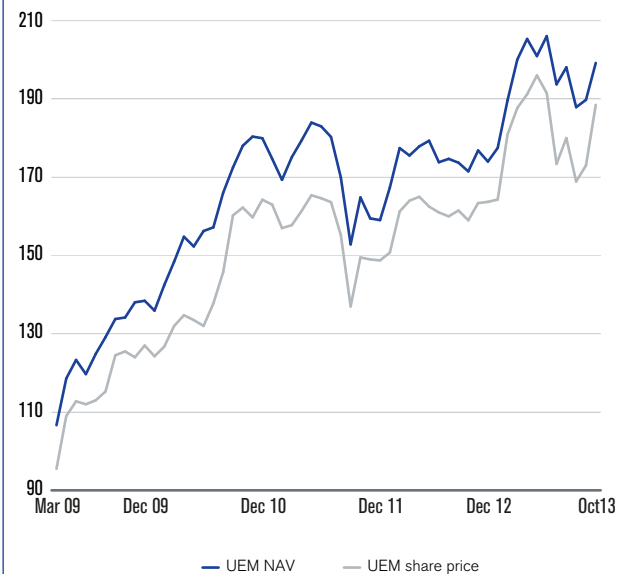
\* Including dividends and return on warrants converted in August 2010

### CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£443.1m
Bank Debt	£(18.3)m
Shareholders' Funds	£424.8m
Gearing* (based on AIC definition)	5.2%

\* GEARING AIC – standardised gearing calculation as recommended by the AIC is now based on net assets

### PERFORMANCE



### PERFORMANCE (total return including dividends)

	1 month	3 months	1 year	3 years	Inception
Share Price	9.0%	5.6%	19.0%	27.3%	125.1%
Net Asset Value	5.0%	1.3%	16.0%	22.0%	139.7%

### ROLLING 12 MONTH PERFORMANCE (total return including dividends)

12 months to	Oct 13	Oct 12	Oct 11	Oct 10	Oct 09
Share Price	19.0%	13.9%	(4.7%)	33.1%	45.5%
Net Asset Value	16.0%	11.4%	(4.5%)	36.3%	49.6%

### BOARD

Alexander Zagoreos	Garry Madeiros	Susan Hansen
Kevin O'Connor	Anthony Muh	

### INVESTMENT MANAGER

Utilico Emerging Markets Limited is managed by ICM Limited. ICM is a Bermuda company and has assets under management of over £1.5bn. [www.icm.bm](http://www.icm.bm)

### TEAM

Duncan Saville	Jonathan Grocock
Charles Jillings	Mark Lebbell
Jacqueline Broers	Ross Wilding

### MANAGEMENT & ADMINISTRATIVE FEES

Investment Adviser Fee	0.5%
Administration Fee	£210k
Performance Fee	15% of the outperformance over benchmark subject to "high water" mark

### KEY DATES

Launch Date	20 July 2005
Year End	31 March
AGM	September
Ex-Dividend Dates	Aug, Nov, Feb & May
Dividend Paid Dates	Sep, Dec, Mar & Jun
Winding up provision	To be proposed at the AGM in 2016



**PERFORMANCE**

UEM's cum income NAV was up 5.2% during October from 189.28p to 199.20p. This performance was slightly lower than the MSCI Emerging Markets Total Return Index, which increased by 5.7% in Sterling terms in the month.

October commenced with a US Government shutdown and political deadlock in Washington DC over an extension to the Federal Debt Ceiling. The uncertainty weighed on markets in the first half of the month. When an agreement was finally reached, US stock markets soared with the Dow Jones and the S&P 500 ending 8.5% and 6.7% respectively above their intra-month lows. Both indices recorded all time highs towards the end of the month.

Indices in the emerging markets also had a positive October. India's SENSEX Index was particularly strong, rising 9.2% during the month. Brazil's Bovespa Index was up 3.7%, the FTSE Bursa Malaysia index was up 2.2% and the Hang Seng Index in Hong Kong rose 1.5%.

Emerging market currencies were generally stronger in October, reversing the trend of recent months. Most notably, the Malaysia Ringgit was up 4.0% against Sterling and the Indonesian Rupiah was up 3.4%. The Brazilian Real strengthened 0.9% against Sterling. Sterling was 0.8% weaker against the USD.

Commodity prices ended the month broadly flat. The gold price was down 0.4% to US\$1,323/oz and Brent Crude Oil rose 0.4% in October.

**PORTFOLIO**

The top ten constituents remained the same, although there were some changes in weightings and positions.

Nine of the top ten holdings saw value increases in Sterling terms, and eight out of ten posted share price increases in local currency terms.

The share price of Malaysia Airports rose 10.8%, making it the largest holding in the portfolio at the end of the month. ICT was demoted to second place despite a strong share price return of 6.7% for the month.

MyEG was the best performer in percentage terms (up 19.0%) and there were also good returns from CCR (up 6.7%), APT Satellite (up 5.9%), Asia Satellite (up 4.4%) and Ocean Wilsons (up 3.7%). Gasco reported a 3.6% decline in its share price and Eastern Water was down 0.8%, although its value in Sterling terms was up, due to exchange rate gains.

Purchases during the month amounted to £23.6m and realisations totalled £15.8m.

**DEBT & CASH**

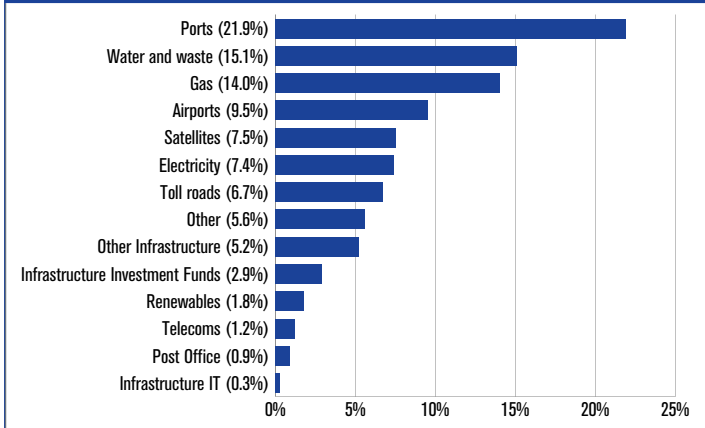
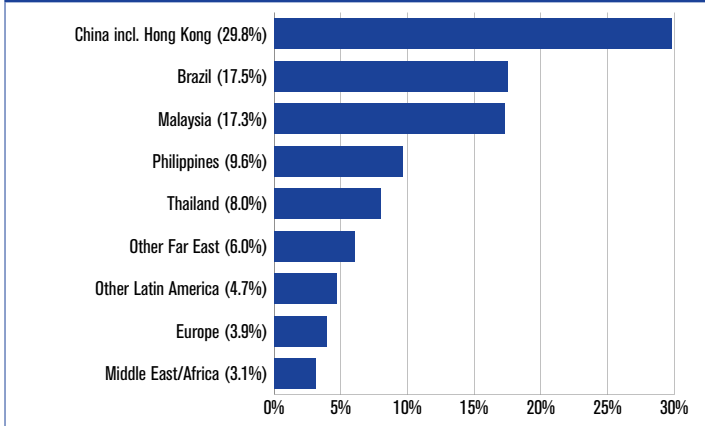
Bank debt was reduced during the month to £18.3m and was drawn as £12.5m, €5.0m and US\$2.5m. Cash balances were substantially reduced during the month.

**OTHER**

UEM's ordinary share price increased 9.0% during October to 188.50p, narrowing the discount to 5.4%.

**TOP TEN HOLDINGS**

	% of gross assets
1 Malaysia Airport Holdings Berhad	9.5%
2 International Container Terminal Services Inc.	8.6%
3 Eastern Water Resources Development and Management PCL	7.8%
4 Ocean Wilsons Holdings Limited	5.5%
5 MyEG Services Berhad	5.2%
6 China Gas Holdings Ltd	4.8%
7 Asia Satellite Telecommunications Holdings Limited	4.0%
8 Gasco SA	3.8%
9 APT Satellite Holdings Ltd	2.8%
10 Companhia de Concessionarios Rodoviaras S.A. (CCR)	2.7%
<b>Total Top 10</b>	<b>54.7%</b>

**SECTORAL SPLIT OF INVESTMENTS**

**GEOGRAPHICAL SPLIT OF INVESTMENTS**


This document is only directed at persons in the United Kingdom who are investment professionals as defined in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, high net worth companies, unincorporated associations and other persons as defined in Article 49 of that Order or others to whom this document can lawfully be distributed or given, inside the United Kingdom, without approval of an authorised person. Any other person should not rely on it or act on it and any investment or investment activity to which it relates will not be engaged in with them

The information presented on this factsheet is solely for information purposes and is not intended to be, and should not be construed as, an offer or recommendation to buy and sell investments. If you are in any doubt as to the appropriate course of action, we would recommend that you consult your own independent financial adviser, stockbroker, solicitor, accountant or other professional adviser.

Past performance is no guide to the future. The value of investments and the income from them may go down as well as up and investors may not get back the full amount they originally invested. The information presented has been obtained from sources believed to be reliable but no representation or warranty is given or may be implied that they are accurate or complete.